

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Thirteenth Congress
First Regular Session



HOUSE BILL NO. 4459

Introduced by Honorable MILES M. ROCES

EXPLANATORY NOTE

This Bill seeks to grant exemption to producers of Filipino films and cinemas/theaters exhibiting such films from payment of amusement tax and other taxes imposed on raw materials used in filmmaking.

For several years now, the local film industry has been struggling to keep its feet standing on the ground. The industry has been besieged by several issues affecting their continued existence – from cinemas swamped with foreign films to high taxes imposed on them.

One of the primary complaints of local film producers and cinema/theater operators is the high amusement tax they have to pay for every film shown, on top of the taxes imposed on raw materials used in filmmaking. As a result, it made film production costly, which consequently affected the price of admission tickets on movie houses. With limited financial resources, the quality of the films produced declined.

These problems, compounded by the lack of support of the government, could eventually make the ailing local film industry collapse. When this happens, it could hurt the economy and affect a considerable number of ordinary workers in the industry.

The government should help in reviving the lost glory of Philippine cinema. Exempting Filipino films from payment of amusement tax and other taxes imposed on raw materials used in filmmaking will mean more profit for local film producers and hopefully, they will be encouraged to produce more quality films like the ones that have been recognized and won awards, not only here in the country but also abroad.

In view of the foregoing, the passage of this Bill is earnestly sought.


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**AN ACT GRANTING EXEMPTION TO PRODUCERS OF FILIPINO FILMS AND
CINEMAS/THEATERS SHOWING SUCH FILMS FROM PAYMENT OF
AMUSEMENT TAX AND OTHER TAXES IMPOSED ON RAW MATERIALS FOR
FILMMAKING**

Section 1. Producers of Filipino films including cinemas/theaters exhibiting such films are hereby exempted from payment of amusement taxes and other taxes imposed on raw materials for filmmaking; Provided, that said films are classified by the Movie and Television Review and Classification Board (MTRCB) as General Audience ("G"), Parental Guidance-13 ("PG-13") and Restricted-13 (R-13); Provided, further, that the Bureau of Internal Revenue (BIR) and other concerned agencies shall determine which raw materials for filmmaking are qualified for tax exemption.

Section 2. All laws, executive orders, decrees, proclamations, and other issuances or parts thereof inconsistent or contrary to the provisions of this Act are hereby repealed or modified accordingly.

Section 3. This act shall take effect upon its approval.

Approved,